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CC: Anne Berube/DC/USEPA/US@EPA; Melissa Gibbons/DC/USEPA/US@EPA

Subject: Fw: FYI - Bloomberg 1/11/12: Fracking Political Support Unshaken by Doctors Call for Ban

See Administration's "position" on hydrofracking

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Fracking Political Support Unshaken by Doctors Call for Ban

By Mark Drajem - Jan 11, 2012

Tremors in Ohio, murky drinking water in <u>Pennsylvania</u> and a call for a moratorium by doctors isn t eroding political support for hydraulic fracturing in the U.S. Congress and the Obama administration.

With the Environmental Protection Agency not scheduled to issue a report on fracking safety until 2014, the administration is resisting calls for curbs as reports of tainted water near gas wells mount.

The White House isn t considering a ban because spurring natural gas development is critical not only to our <u>energy security</u> but our economic security as well, Clark Stevens, a White House spokesman, said in an e-mail.

Natural gas development using fracking has sparked a land rush, pushed down the price of the gas and created jobs in depressed communities in politically important swing states such as Pennsylvania and Ohio.

The use of fracking by companies including <u>Chesapeake Energy Corp. (CHK)</u> and <u>Cabot Oil & Gas Corp.</u> in states from Pennsylvania to <u>Wyoming</u> has been hailed as a boon by Republican lawmakers and President <u>Barack Obama</u>. Democrats in Congress such as Representative <u>Edward Markey</u> of Massachusetts urged further restrictions on fracking, a call so far unheeded.

There are a number of ways the federal government could do more, Kate Sinding, senior attorney at the <u>Natural Resources Defense Council</u> in New York, said in an interview. But there aren t strong indications that this Congress or this administration are looking to do so.

Moratorium Call

A group of doctors called on Jan. 9 for a moratorium on fracking in populated areas until the health effects of the process using a mix of water, chemicals and sand are better understood.

We ve got to push the pause button, and maybe we ve got to push the stop button on fracking, said Adam Law, an endocrinologist at Weill Cornell Medical College in New York, in an interview at a conference in Arlington, Virginia, that was the first to examine criteria for studying the process.

The U.S. holds an estimated 2,543 trillion cubic feet of gas, enough to meet domestic demand for more than a century at current consumption rates, according to the Energy Department in Washington. Natural gas prices dropped 32 percent in 2011, driven mostly by an increase in fuel pulled from shale formations. Fracking accounts for a third of the U.S. gas supply, up from 14 percent in 2009.

In one of his first news conferences after Republicans won control of the <u>House of Representatives</u> in 2010, Obama cited the untapped supplies of natural gas, and pledged to work with Republicans to do everything we can to develop those.

Common-Sense Standards

The administration is now working across the federal government to conduct research and development, to provide support to state regulators, and to put in place common-sense standards to supplement state programs where necessary, Stevens said.

The EPA is now moving forward with some regulations, which has prompted criticism from groups such as the <u>American Petroleum Institute</u> in <u>Washington</u>, the largest energy trade group in Washington.

Mounting public pressure will force Obama to issue tighter standards in areas where the federal government has authority, said Deb Nardone, director of the natural gas campaign at the San Francisco-based Sierra Club.

Calls for a moratorium put the spotlight on the number of environmental or human health effects and pushes for a minimal national standard, Nardone said in an interview.

Disclosing Chemicals

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The EPA is weighing rules to force disclosure of the chemicals used to break up rock and free trapped gas, wastewater disposal, the use of <u>diesel fuel</u> in drilling and air emissions. Its major study will examine any contamination of the water in aquifers used for drinking.

As the EPA has moved to set some national standards, Republicans in Congress have pushed back.

The EPA is really trying to come in and regulate what the state departments of the environment do best, Jeff Urbanchuk, a spokesman for Representative Bill Shuster, a Pennsylvania Republican, said. States know best.

Companies are doing their part with voluntary disclosure programs of chemicals used in fracking, said Chris Tucker, a spokesman for Energy in Depth, which represents companies such as Oklahoma City-based Chesapeake. Tucker replied to an e-mail sent to a Chesapeake spokesman asking for comment.

Disclosure isn t the only issue states are debating.

The state of Ohio issued a moratorium in Youngstown for new injection wells used in wastewater disposal from fracking after a 4-magnitude earthquake in the area on New Year's Eve, the 11th since injections began at the well in December 2010.

Wyoming Contamination

In December, the EPA linked fracking to groundwater contamination in Wyoming. In Dimock, Pennsylvania, where <u>Cabot Oil & Gas Corp</u>. drills for gas, residents say they were told by EPA officials at the end of last year that their water wasn t safe to drink. Local EPA officials initially offered to deliver water to them, and then called back later to rescind the offer. The EPA is now doing its own test of local wells.

The combination of local issues and a call for a moratorium by the doctors group may prompt lawyers to file more suits and might influence the debate in statehouses and in Washington, said Greg Hoffnagle, a lawyer at Edwards Wildman in New York.

It s going to embolden the plaintiffs bar, he said in an interview. And if those lawsuits are successful, that will create a push for tighter laws and regulations, he said.

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